

ORIGINAL
RECEIVED

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

FEB 12 1995

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
Application of Open Network)
Architecture and Nondiscrimination)
Safeguards to GTE Corporation)

CC Docket No. 92-256

COMMENTS

Sprint Communications Company LP hereby respectfully submits its comments in response to the Notice of Proposed Rulemaking ("NPRM") released December 2, 1992 (FCC 92-495) in the above-captioned proceeding.

I. THERE ARE NO BENEFITS TO BE GAINED FROM EXTENDING THE APPLICATION OF ONA IN ITS CURRENT FORM TO GTE.

In this proceeding, the Commission seeks comment on whether the ONA and nondiscrimination safeguards to which the BOCs are subject should also be applied to GTE.¹ The Commission has "tentatively conclude[d] that application of ONA and nondiscrimination safeguards to GTE would yield substantial public interest benefits by bringing to customers and ESPs operating in GTE's service areas the benefits of ONA, and by safeguarding against discrimination" (NPRM, para. 8).

¹These safeguards include CPNI use, network information disclosure, and nondiscrimination reporting. The BOCs are also required to provide access to their Operational Support Systems (OSS) to ESPs.

No. of Copies rec'd
List A B C D E

Sprint agrees that opening up of the LECs' networks can help to promote the development and provision of innovative and enhanced services. As described in the Intelligent Networks proceeding,² if open interfaces between LEC switches and other network elements (both LEC and non-LEC) are provided so as to allow access by non-LECs to basic call processing functions residing in the LEC network, new voice and data services could be offered to end users in a seamless and efficient fashion. If local network design is based upon a genuinely useful unbundled architecture, use of the local network will be stimulated, to the benefit of all parties involved: LECs will enjoy more efficient, revenue-producing use of their networks, and potentially reduce the threat of bypass; IXCs and ESPs will be able to offer new services using capabilities not presently available to them; and consumers will be able to take advantage of a wider range of innovative telecommunications services.

Unfortunately, however, the type of network unbundling represented by the current version of ONA does not promote these goals. ONA in its current form simply unbundles feature group access arrangements used by IXCs in the provision of basic services. As has become abundantly clear in the case of the BOCs, ONA in its current form is not useful to or demanded

²CC Docket No. 91-346; see, e.g., Comments of Sprint filed March 3, 1992.

by either ESPs or IXCs.³ Independent ESPs are not purchasing BSA/BSE access from the BOCs' interstate tariffs because of the cost of such access; BOC-affiliated ESPs are not allowed to purchase BSA/BSEs from interstate tariffs; and IXCs continue to use the same combination of BSA/BSE elements as is currently provided to them as packaged feature group arrangements. In contrast, the administrative costs incurred by both access providers and access customers to accomodate a system of unbundled access, and the potential competitive disruptions in the interexchange marketplace which unbundling feature groups will engender, are likely to be substantial. In addition, neither the reasonableness of the ONA rates, nor the efficacy and legitimacy of ONA, has yet been determined.⁴

Given the lack of benefits, and the real burdens, associated with unbundling feature group access arrangements, it is not clear why the Commission should consider extension of ONA requirements to GTE to be in the public interest. There is no reason to believe that GTE's experience with ONA will be

³See, e.g., Sprint's Comments in CC Docket No. 89-79 (Amendments of Part 69 of the Commission's Rules Relating to the Creation of Access Charge Subelements for Open Network Architecture) filed September 30, 1992; Reply Comments filed October 30, 1992.

⁴The Commission's investigation into the BOCs' ONA rates, which have been in effect for over a year now, is on-going (ONA Tariffs of BOCs, CC Docket No. 92-92), and challenges to the ONA concept and of various ONA orders remain pending before the Court of Appeals (see, e.g., People of the State of California, et al. v. FCC and United States of America, Case No. 90-70336 and consolidated cases; MCI v. FCC and United States of America, Case No. 92-70189; and California et al. v. FCC and United States of America, Case Nos. 92-70083 et al.).

substantially different from that of the BOCs'. Insofar as Sprint is aware, GTE has received no requests from ESPs or IXC's for ONA services in their current form.⁵ To the contrary, GTE has recognized that its IXC customers prefer to obtain access service in the form of packaged feature groups.⁶ Furthermore, GTE has estimated that "implementing all of the BOC [CEI/ONA] restrictions would cost GTE more than \$20 million in first year expense"⁷ -- a largely wasted expenditure given the expected lack of demand for the services at issue.

II. IF ANY BENEFITS ARE TO BE DERIVED, ONA POLICIES MUST BE RECONSIDERED.

As the record amply demonstrates, ONA in its current form is likely to result in a financial burden on IXC's, the BOCs, GTE and, ultimately, end users, with no corresponding benefits to ESPs, IXC's or consumers. Rather than requiring independent telephone companies such as GTE to offer a form of access which neither IXC's nor ESPs wish to purchase, the Commission should instead focus on how its ONA policy can be revised to promote some public interest goals. The record in CC Docket No. 89-79 includes two proposals which could minimize the burden of, and possibly salvage some benefit from, ONA.

⁵If demand for interstate ONA access elements existed in BOC territories, then one would expect that market forces would drive non-BOC LECs such as GTE to offer such ONA services as well.

⁶See, e.g., GTE's Reply Comments in CC Docket No. 89-79, filed October 30, 1992, pp. 1-8.

⁷GTE letter to the CCB dated August 28, 1992, p. 2, n. 2.

First, the Commission should reconsider its policy on the elimination of bundled feature group arrangements. Sprint would not object if LECs chose to offer interstate BSAs/BSEs on an optional basis. However, LECs should also be allowed to continue to provide bundled feature group arrangements requested by their interstate IXC access customers. Continued availability of traditional feature group arrangements minimizes the administrative burden on IXCs and can still accomodate the kind of useful unbundling (e.g., expanded interconnection⁸) which has been effected outside the current ONA regime.

Second, BSAs and BSEs should be made available at a price which is financially feasible for ESPs. If this were the case, it is possible that some ESPs might elect to purchase ONA elements from the interstate access tariffs in order to provide new enhanced services.

* * * * *

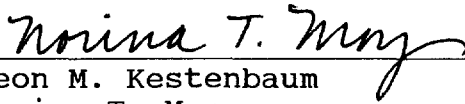
ONA, in its present form, generates significant costs but few if any benefits. Therefore, no purpose is to be served by extending ONA requirements to GTE. However, if, contrary to Sprint's recommendation, GTE is made subject to ONA, the Commission should reconsider its earlier decisions and (1) allow GTE (and the BOCs) to continue to offer packaged feature

⁸Expanded Interconnection with Local Telephone Company Facilities, CC Docket No. 91-141, Report and Order released October 19, 1992, FCC 92-440.

group arrangements, and (2) allow ESPs to obtain interstate BSA/BSEs at financially feasible rates.

Respectfully submitted,

SPRINT COMMUNICATIONS COMPANY LP



Leon M. Kestenbaum
Norina T. Moy
1850 M St., N.W., Suite 1110
Washington, D.C. 20036
(202) 857-1030

February 22, 1993

CERTIFICATE OF SERVICE


I hereby certify that a copy of the foregoing "Comments" of Sprint Communications Company has been sent via first-class mail, postage prepaid, on this the 22nd day of February, 1993, to the below-listed parties:

Cheryl Tritt, Chief*
Common Carrier Bureau
Federal Communications
Commission
1919 M Street, N.W., #500
Washington, D.C. 20554

International Transcription
Service*
1919 M Street, N.W., #246
Washington, D.C. 20554

Patrick Donovan*
Policy & Program Planning Div.
Federal Communications
Commission
1919 M Street, N.W., #544
Washington, D.C. 20554

Carol Bjelland
GTE Service Corporation
1850 M Street, N.W.
Suite 1200
Washington, D.C. 20036


Ruth Goddard

February 22, 1993

*BY HAND